



KILPATRICK TOWNSEND & STOCKTON LLP

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July 13, 2018

By Email

Karamvir Dahiya, Esq.
Dahiya Law Offices LLC
75 Maiden Lane, Suite 506
New York, NY 10028
E-Mail Address: karam@bankruptcypundit.com

RE: In re Boysin Lorick and Cynthia Lorick ("Debtors")
Case No. 16-45645 (NHL)

Dear Mr. Dahiya:

You will recall that during the hearing held on May 24, 2018, the Honorable Nancy Hershey Lord provided us with the benefits of Her Honor's thoughts as to the amount our client Wells Fargo Bank, N.A., as Trustee for the registered holders of Sovereign Commercial Mortgage Securities Trust, 2007-C1, Commercial Mortgage Pass-Through Certificates, Series 2007-C1 ("Lender") will be awarded on the outstanding amount due under its loan and Amended Final Judgment of Foreclosure and Sale that was entered in Kings County Supreme Court on June 8, 2016 (the "Foreclosure Judgment"). In furtherance of Judge Lord's comments, we write to provide you with an updated calculation of the amount due based solely on the statements made during the May 24, 2018 and June 28, 2018 hearings:

	Payment made to Lender on December 26, 2017 (the "December 2017 Distribution") pursuant to Court Order	\$4,039,705.02
Application to <u>Costs:</u>	Referee Fees	(\$500.00)
	Publication Costs	(\$3,790.52)
	Property Protection Advances	(\$23,136.90)
	Remaining Balance of December 2017 Distribution	\$4,012,277.60
Application to <u>Advances:</u>	Tax Advances	(\$22,112.10)
	Insurance Advances	(\$9,136.13)

ANCHORAGE ATLANTA AUGUSTA CHARLOTTE DALLAS DENVER HOUSTON LOS ANGELES NEW YORK RALEIGH SAN DIEGO
SAN FRANCISCO SEATTLE SHANGHAI SILICON VALLEY STOCKHOLM TOKYO WALNUT CREEK WASHINGTON WINSTON-SALEM

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	Remaining Balance of December 2017 Distribution	\$3,981,029.37
<u>Application to Accrued Interest:</u>	Accrued Interest on Insurance Advances from March 9, 2016 to December 26, 2017	
	Rate: 9.00%	
	Per Diem: \$2.25	
	Number of Days: 658	(\$1,480.50)
	Accrued Interest on Tax Advances from December 19, 2016 to December 26, 2017	
	Rate: 9.00%	
	Per Diem: \$5.45	
	Number of Days: 373	(\$2,032.85)
	Accrued interest on the Judgment amount from June 9, 2016 to December 26, 2017	
	Rate: 9.00%	
	Per Diem: \$956.38	
	Number of Days: 566	(\$541,311.08)
<u>Application to Judgment Amount:</u>	Remaining Amount of Principal and Interest due under Foreclosure Judgment as of June 8, 2016	\$3,878,640.07
	Remaining Balance of December 2017 Distribution	(\$3,436,204.94)
	Remaining Balance of Amount Due under Foreclosure Judgment	\$442,435.13
	Judgment interest on the Remaining amount due of \$442,435.13 from December 27, 2017 through and including July 13, 2018	
	Rate: 9.00%	
	Per Diem: \$109.09	
	Number of Days: 199	\$21,708.91
	Attorneys' Fees and Costs for the period June 9, 2016 through June 30, 2018 at a blended rate of \$475.00	\$810,682.50 ¹

¹ The actual amount of attorneys' fees billed to Lender for services rendered during this period totals \$930,824.00, resulting in a discount of at least \$120,141.50. A copy of the redacted invoice for services rendered for the month of June is attached hereto for your reference.

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**Total Remaining Amount due to
 Plaintiff (excluding fees and costs
 incurred for services rendered by
 Akin Gump Strauss Hauer &
 Feld LLP which are being sought
 by a separate application.)**

\$1,274,826.54

Anticipated fees and costs to
 defend Debtor's claims of fraud
 and attacks on the Foreclosure
 Judgment at a blended rate of
 \$475.00²

\$150,000.00

Anticipated fees and costs to
 defend claims asserted by Mr.
 Choudhary at blended rate of
 \$475.00

\$150,000.00

Estimated Total

\$1,574,826.54

The amounts stated herein are being provided to you for informational purposes only and shall not be deemed an estoppel from collecting the actual amounts due under the Loan Documents or a waiver of any amounts sought under Lender's proofs of claim filed in the Debtors' bankruptcy case. Please note that additional interest continues to accrue at a per diem basis as well as additional attorneys' fees, Lender reserves the right to seek these additional amounts.

Very truly yours,

KILPATRICK TOWNSEND & STOCKTON LLP

By: 

Keith M. Brandofino, Esq., Partner

Attachment

cc: Hon. Nancy Hershey Lord (By ECF)
 John Church (By E-Mail)
 Dennis McCloskey (By E-Mail)
 Colin Bernardino, Esq. (By E-Mail)

² By letter dated and filed June 1, 2018 (Doc. 263) and by subsequent communications, you on behalf of Debtors made certain allegations, albeit unsubstantiated, as to the amount due on the Judgment and a threat of further protracted litigation challenging the application of each monthly payment. As a result, we believe it is necessary and appropriate to seek an award of estimated attorney's fees and costs to defend such claims because the underlying of the Consolidation, Extension and Modification Agreement dated September 13, 2003 at Section 40 expressly provides that the obligation to defend, indemnify and hold Lender harmless, without limitation, reimbursing it for its reasonable attorneys' fees and costs, shall survive the satisfaction of the loan and we reserve the right to seek such additional attorneys' fees and costs from Debtor.



ATTORNEYS AT LAW

Please Remit Payments Only To:

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Atlanta, Georgia 30394

Telephone (866) 244-4934

Payments Only: accountsreceivable@kilpatricktownsend.com

Billing Inquiries: financialservices-billingrequests@kilpatricktownsend.com

Fed I.D. 58-0511774

July 13, 2018

WATERSTONE ASSET MANAGEMENT, LLC
 ATTN: JOHN CHURCH
 3826 S. NEW HOPE ROAD
 SUITE 4
 GASTONIA, NC 28056

Client: 057301
 Matter: 0853817
 Invoice #: 12066912

RE: 3126 CONEY ISLAND AVE

For Professional Services Through June 30, 2018:

01 - Lorick Bankruptcy

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
06/01/2018	CMB	Review correspondence from K. Dahiya regarding claims and request for accounting; correspondence from and to K. Brandofino regarding :	0.20	150.00
06/01/2018	KB	Review of correspondence form borrower's counsel regarding challenge's to amount due. Consideration of issues rais :	1.20	906.00
06/01/2018	TMR	Review Debtor's letter requesting proof of application of funds by servicer	0.20	80.00
06/04/2018	KM	Call with C. Bernardino regarding updated payoff and Akin fees	0.00	No Charge
06/05/2018	CMB	Telephone call to K. Moynihan regarding	0.00	No Charge
06/05/2018	KM	Start draft of Akin Gump fee supplement (.2); start draft of supplemental statement in support of distribution of sale proceeds (.5).	0.70	276.50
06/06/2018	CMB	Correspondence from J. Church and telephone call to K. Brandofino regarding : revise supplemental payoff request for Aiken fees.	0.80	600.00
06/06/2018	KM	Draft Akin Gump fee supplement (.8); draft supplemental statement in support of distribution of sale proceeds (.6).	1.40	553.00

Amounts are calculated per entry, rounding discrepancies may occur in summaries or totals as a result of prearranged discounts.

Due and Payable upon receipt. 1% interest per month charged on balances after 30 days.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

REDACTED

01 - Lorick Bankruptcy

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
06/07/2018	CMB	Conference call with J. Church, D. McCloskey, and K. Brandofino regarding view monthly operating report; correspondence to and from K. Moynihan regarding .	0.90	675.00
06/07/2018	KM	Revise Akin supplement (.6); email to C. Bernardino regarding .	0.70	276.50
06/08/2018	CMB	Correspondence from and to K. Dahiya regarding servicing history and fraud allegations; telephone call to K. Brandofino regarding review correspondence from K. Brandofino regarding	0.50	375.00
06/08/2018	JT	Review status of Lorick's appeal of November 2, 2017 Order denying Motion to Stay in bankruptcy action; retrieve filed copies of Motion to Dismiss Appeal and Mandate Dismissing Appeal, and prepare communication regarding ; exchange communication with Clerk of the Appellate Division, Second Department regarding status of appeal of Order in State Court Action; prepare memorandum regarding status	1.10	324.50
06/09/2018	CMB	Review monthly operating report.	0.20	150.00
06/12/2018	KB	Review of correspondence from Debtors' counsel. Consideration of	0.80	604.00
06/15/2018	CMB	Telephone call from K. Brandofino regarding	0.00	No Charge
06/18/2018	JT	Confirm Hearing on Motion for Relief from Automatic Stay and Hearing on Motion to Convert Case Chapter 11 to 7; prepare and circulate communication regarding same.	0.00	No Charge
06/20/2018	CMB	Telephone call to K. Brandofino regarding	0.50	375.00
06/20/2018	TMR	Review proposed Payoff letter	0.30	120.00
06/21/2018	CMB	Review correspondence regarding	0.30	225.00
06/22/2018	CMB	Review correspondence from K. Dahiya regarding demand for servicing records.	0.20	150.00
06/25/2018	CMB	Telephone call from K. Brandofino regarding rrespondence from and to K. Brandofino, J. Church, and D. McCloskey regarding ; review Lorick affidavit.	1.40	1,050.00

REDACTED

01 - Lorick Bankruptcy

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
06/25/2018	KB	Review and revision of payoff letter. Correspondence with client regarding Multiple correspondence with Mr. McClosky regarding debtors' allegations concerning payments.	1.90	1,434.50
06/25/2018	JT	File Payoff Letter with Court.	0.30	88.50
06/26/2018	CMB	Review operating reports; review payment history; review correspondence from K. Brandofino, J. Church, and D. McCloskey regarding ;	0.60	450.00
06/26/2018	KB	Attention to debtors' allegations regarding amount due. Review of loan docuemnts and loan history. Consideration of issues regarding	2.40	1,812.00
06/26/2018	TMR	Review November,2017 - February 2018 invoices for redaction; review redacted invoices; additional redactions to November-February invoices; review Lorick opposition for application of compensation; review multiple correspondence with client regarding	3.90	1,560.00
06/26/2018	JT	Retrieve filed copies of Contract of Sale and Debtors' Opposition to Application for Compensation; circulate communication regarding same.	0.20	59.00
06/27/2018	CMB	Review 2004 examination motion and correspondence to and from K. Moynihan, K. Brandofino, J. Church, and D. McCloskey regarding telephone call to K. Brandofino regarding conference with T. Reyes regarding revise Aiken Gump claim supplement; prepare claim supplement; prepare for hearing; review filing from K. Dahiya regarding request for reduction in claim due to alleged misapplication of payments.	4.60	3,450.00
06/27/2018	KB	Review of debtors' submissions. Consideration of Prepare for hearing.	2.10	1,585.50
06/27/2018	KM	Correspondence with C. Bernardino regarding (.2); review 2004 Motion (.2); review local rules regarding (.1); calls to chambers regarding same (.1); research regarding in NY (1.2); emails to C. Bernardino regarding same (.2).	2.00	790.00

REDACTED

01 - Lorick Bankruptcy

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
06/27/2018	TMR	Review Ortiz draft motion for sanctions; review Lorick 2004 Examination Motion; review invoices to differentiate billing on matters for Lorick and choudhary litigation; review and redact invoices for March 2018 - May 2018; review Debtor's letter to Court regarding alleged payments;	4.40	1,760.00
06/27/2018	JT	Retrieve copy of Debtors' filed Application for Order Seeking Production of Documents from Wells fargo; prepare communication circulating same.	0.10	29.50
06/28/2018	CMB	Prepare supplemental statement in support of payoff; prepare for hearing; conference with J. Church regarding ; review correspondence from D. McCloskey regarding ; conference with K. Brandofino regarding	7.10	5,325.00
06/28/2018	KB	Prepare for and attend hearing on surcharge motion and motion to distribute funds to Trust. Correspondence with Mr. Church regarding strategy. Consideration of	4.20	3,171.00
06/28/2018	SG	Prepare, file and coordinate service regarding supplemental statement.	1.50	420.00
06/28/2018	TMR	Correspondence from client regarding ; consideration of ;	0.50	200.00
06/29/2018	CMB	Prepare memorandum regarding hearing; correspondence from and to K. Dahiya regarding judgment amount; telephone call from K. Brandofino	0.40	300.00
06/29/2018	KB	Correspondence with Mr. Dahiya regarding challenges to amount due and potential claims. Consideration of	0.80	604.00
06/29/2018	EHG	Analyzing pooling and servicing termination provisions to address concerns related to possible litigation following termination of trust and to recommend approach to reserving funds at such termination.	0.70	367.50
Task Subtotal			49.10	30,297.00

REDACTED

02 - Choudhary

<i>Date</i>	<i>Initials</i>	<i>Description</i>	<i>Hours</i>	<i>Amount</i>
06/04/2018	DVM	Receipt and review of Judge Kuntz's Text Order as to the briefing schedule for Defendants' pending motion to dismiss.	0.00	No Charge
06/04/2018	JT	Docket deadlines extended time to respond to Motion to Dismiss, pursuant to Judge's Order clarifying same.	0.20	59.00
06/18/2018	JT	Confirm Conference and circulate communication regarding mandatory appearance.	0.20	59.00
06/21/2018	DVM	Preparation of letter to Judge Bloom providing a status update as to discovery in advance of next week's scheduled discovery conference.	0.50	202.50
06/27/2018	KB	Prepare for conference before Magistrate Bloom.	0.60	453.00
06/27/2018	JT	Confirm deadline for Plaintiff to serve Opposition to Motion to Dismiss; prepare and circulate communication regarding same.	0.20	59.00
06/28/2018	KB	Appearance at conference before Magistrate Bloom. Correspondence with Mr. Church regarding	1.90	1,434.50
06/29/2018	KB	Correspondence with Mr. Dahiya regarding motion to dismiss.	0.30	226.50
06/29/2018	JT	Docket discovery deadlines and appearances set forth at June 28, 2018 appearance.	0.20	59.00
06/29/2018	JT	Prepare correspondence to Karamvir Dahiya attaching motion to dismiss, per request.	0.20	59.00
Task Subtotal			4.30	2,611.50
Total Fees				\$32,908.50

Task Code Summary

<i>Task Code</i>	<i>Task Description</i>	<i>Amount</i>
01	Lorick Bankruptcy	30,297.00
02	Choudhary	2,611.50
Total		\$32,908.50

REDACTED

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<i>Summary</i>	<i>Timekeeper Name</i>	<i>Hours</i>	<i>Rate/Hour</i>	<i>Amount</i>
CMB	Colin M. Bernardino	0.00	750.00	No Charge
CMB	Colin M. Bernardino	17.70	750.00	13,275.00
KB	Keith Brandofino	16.20	755.00	12,231.00
EHG	Edwin Garrison	0.70	525.00	367.50
DVM	David V. Mignardi	0.00	405.00	No Charge
DVM	David V. Mignardi	0.50	405.00	202.50
KM	Kelly Moynihan	0.00	395.00	No Charge
KM	Kelly Moynihan	4.80	395.00	1,896.00
TMR	Therese M. Reyes	9.30	400.00	3,720.00
SG	Shavone Green	1.50	280.00	420.00
JT	Joanna Turner	2.70	295.00	796.50
JT	Joanna Turner	0.00	295.00	No Charge
Totals		53.40		\$32,908.50

Other Charges:

06/27/2018	Westlaw On-Line Legal Research	63.58
06/27/2018	Travel and Ground Transportation - Internet Expense of Colin Bernardino on 06/27/18 regarding Attend Lorick Hearing in New York	17.00
06/27/2018	Meals - Meals Other Expense of Colin Bernardino on 06/27/18 regarding Attend Lorick Hearing in New York	11.96
06/27/2018	Travel and Ground Transportation - Taxi/Car Service Expense of Colin Bernardino on 06/27/18 regarding Attend Lorick Hearing in New York	50.47
06/27/2018	Airfare Expense of Colin Bernardino on 06/27/2018 - 06/28/2018 to New York, NY regarding Attend Lorick Hearing in New York	1,006.40
06/28/2018	Travel and Ground Transportation - Taxi/Car Service Expense of Colin Bernardino on 06/28/18 regarding Attend Lorick Hearing in New York	63.07
06/28/2018	Travel and Ground Transportation - Parking Expense of Colin Bernardino on 06/28/18 regarding Attend Lorick Hearing in New York	38.00
06/28/2018	Meals - Dinner Expense of Colin Bernardino on 06/28/18 regarding Attend Lorick Hearing in New York	14.27
06/28/2018	Meals - Breakfast Expense of Colin Bernardino on 06/28/18 regarding Attend Lorick Hearing in New York	10.31
06/28/2018	Hotel Expense of Colin Bernardino on 06/27/2018 - 06/28/2018 to New York regarding Attend Lorick Hearing in New York	319.07

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Other Charges:

06/28/2018	Travel and Ground Transportation - Internet Expense of Colin Bernardino on 06/28/18 regarding Attend Lorick Hearing in New York	10.00
	Document Reproduction	749.85
	PACER charges for May 2018	78.90
	Total Other Charges	\$2,432.88

TOTAL AMOUNT DUE THIS INVOICE**\$35,341.38**